

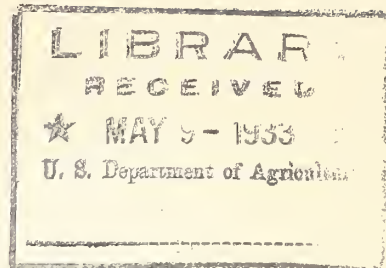
## **Historic, Archive Document**

Do not assume content reflects current scientific knowledge, policies, or practices.



1.9  
EX 892 Raa

UNITED STATES DEPARTMENT OF AGRICULTURE  
DIRECTOR OF EXTENSION WORK  
WASHINGTON, D. C.



TO ALL EXTENSION WORKERS:

We are giving below for your information the text of a radio talk made by Henry A. Wallace, Secretary of Agriculture, on April 1 over the Columbia Broadcasting System, in which he discusses three measures of vital interest to the farmer; viz., the emergency agricultural adjustment bill, the Act which provides for the employment of men in the National forests, and the farm mortgage relief measure.

--C. W. Warburton, Director of Extension Work.

RADIO ADDRESS BY SECRETARY OF AGRICULTURE HENRY A. WALLACE,  
INSTITUTE OF PUBLIC AFFAIRS, COLUMBIA BROADCASTING SYSTEM,  
10:15 P.M., APRIL 1, 1933, WASHINGTON, D. C.

As you all are probably aware, things are moving fast in Washington these days. A week ago, when asked to appear on this program, I planned to confine my remarks to one topic -- the new farm relief bill. Tonight, in view of all that has happened during the past week, I thought it might be better to talk to you about three measures, all of them of vital interest to the Nation as a whole. Of the three, one has already become law, a second has passed the House and will be up before the Senate next week, and the third measure will be introduced in the Congress within a few days.

The first measure, now law, has to do with jobs for the unemployed. The second measure is the farm relief bill, more properly known as the emergency agricultural adjustment bill. And the third measure, to be introduced in Congress very soon, has to do with farm mortgage relief. Let me tell you first about the new law which provides jobs in the woods.

Those of you who, like myself, have spent their lives in the Prairie States, find it hard to realize how important it is to rehabilitate our timber resources.

President Roosevelt on March 21 sent a message to Congress requesting that measures be enacted immediately to relieve unemployment. He suggested three types of legislation. As the first step he proposed an act to employ men in protecting and improving our forests, in prevention of soil erosion, and in flood control. Exactly 10 days later the Congress had enacted the requested legislation and the bill was signed by the President.

Anticipating passage of the law, the four government departments involved -- War, Interior, Agriculture, and Labor -- began preparing their plans for the enrollment, organization, and actual movement of these men. It is now our expectation, I am glad to be able to report, that some of these men will be at work in the National Forests within two weeks. The number on the job will be increased as rapidly as the facilities will permit, until by midsummer, if all goes well, there should be somewhere between 200,000 and 250,000 men at work in national and state forests and parks.

The procedure will probably be like this: Any able-bodied man, now unemployed, wishing employment, will first be enrolled by representatives of the Department of Labor. Once enrolled, and equipped, if necessary, with suitable work clothing, the new recruit will be transported either directly to the place of work, or to an army assembly camp nearby. Then the Departments of Agriculture and Interior, and the State foresters, will step into the picture, for they know where the work needs to be done, and how many men will be needed for each job.

The men will be classified according to the work they are best fitted to perform, and will be assigned, as far as possible, to jobs more or less in their own line. The crews will be directed by trained foresters and construction foremen. The men will live in camps, as close to the job as possible, and with all the facilities necessary for proper care and comfort. Their work will entitle them to meals and lodging, and cash compensation in addition.

You may be curious to know what sort of work needs to be done in a forest, and how it will be possible to employ upwards of 200,000 men doing it.

In general, four kinds of jobs need doing. One involves protecting our forests against fire. Another involves the unending fight against the insects and diseases that attack trees, and cause so gigantic a loss. A third job involves flood control, and the prevention of soil erosion. The fourth kind of job has to do with making our forests more productive.

As the forests have grown, without interference from man, the young trees on hundreds of thousands of acres have formed thickets so dense that the competition for moisture and sunlight has seriously retarded growth. Undernourished and defective trees have prevented sound young trees from progressing at their normal rate. One job, then, is to thin out the undesirable trees, and in various other ways to provide the conditions necessary if the forest is to mature a valuable crop of timber, permit recreation, and remain a great national resource.

Perhaps one of the most urgent jobs of all is to protect our forests from fire. We can not prevent all forest fires, but we can prevent some of them. Those that do start, can, by wise use of the forester's art, be kept down to a minimum of damage. We can get rid of the dead standing trees, and the inflammable debris that presents a constant fire hazard. We can build new roads and trails, which will enable our forest fire-fighters to

fight fires more successfully. We can install new fire guard stations, new lookout posts on high ridges, necessary telephone lines and emergency landing fields for airplanes. We can do these, and many other essential jobs, to protect a cherished national asset.

The men will be able to do yeoman service in waging battle on the costly insects and diseases that damage forest trees. There is the all too famous gypsy moth to fight in New England's forests, and the western pine beetle to battle out West. By routing out some of these plant enemies entirely, by checking the spread and the damage of others, we shall preserve intact our investment in the forests.

Finally, there is work to be done to prevent soil erosion and to forestall, if possible, disastrous floods. On the watersheds of many of our rivers serious soil erosion has been caused by the removal of the protective forest cover, the invaluable vegetative sponge. Heavy rains, unchecked, have gouged ugly gullies, have taken down to the rivers countless tons of fertile soil, have left both a soil and flood problem in their wake. We shall have to build what are called check dams in the deeply eroded gullies, and plant bare hill-sides with brush and trees to hold the soil in place. Elsewhere, the job will be to plant trees to replace those that have been cut or lost by fire, and to plant trees on lands which nature always intended for the growing of trees.

At this moment, as I know you realize, our job is to get the men who need work to the jobs which need men, as speedily as possible. This is, first of all, a relief program. Speed is essential. Fortunately, the work to be done on the National Forests is already outlined, in detail. We are just about ready to say how many men we need in a given forest, and for how long. I expect that the plans of the state foresters will not be far behind. I have invited the Governors of the several States to send their foresters, or other representatives, to a conference with federal officials scheduled for next Thursday. Shortly after that, no doubt, the States will also be ready with detailed projects.

This is primarily a relief program. The Government is mobilizing its resources for prompt, effective relief of destitution. The men who enroll are not seeking charity; they want an opportunity to make their own way. The labor they will perform in the forests will constitute a lasting public service. Above all, it is our wish that this opportunity to live and work in the forests may bring to thousands of our fellow-men a new hope and an unshakable self-respect.

The other two measures I want to discuss comprise, between them, the most direct and the most effective program in aid of agriculture that has ever been proposed by the Federal Government. One measure, the farm relief bill now before Congress, proposes to increase the farmer's purchasing power. The other measure, soon to be introduced in Congress, proposes to help the farmer hold his home and his farm, and to reduce the burden of his debt.



For some months economists have been telling the Nation that we could not much longer endure unless one of two things happened. Either (they said) debts must be scaled down, or prices must rise. But another course is possible; too. We can adjust debts downward to some extent, and we can so order our production that prices will rise to some extent. That is the course these two farm measures propose.

By this time I imagine you are more or less familiar with the farm relief measure. It passed the House of Representatives several days ago, has been considered by the agricultural committee of the Senate, and probably will be considered on the floor of the Senate early next week.

Its central purpose is to increase the farmer's purchasing power. Such an increase, of course, will help not only the farmer; it should be of far-reaching consequence in industry. We can not ignore the fact that a good many millions of our unemployed lost their jobs because farmers, and those who live in rural communities, had their buying power cut in half in recent years. Restore that buying power, and you necessarily put men back to work in the cities, making the things that farmers need and will buy.

The farm relief measure proposes to restore the farmer's purchasing power by helping the farmer restore the balance between what he produces and what the markets of the world will take. That means, plainly, that the farmer will have to curtail his acreage and control his production. He can not afford to do that unless he is compensated for it, for there are taxes and interest charges to be paid on lands left idle. To provide such compensation, in the form of price adjustments, the bill proposes a carefully regulated tax on the processed form of each farm product, the acreage of which is to be reduced.

The bill raises in the minds of both farmers and processors of farm products, I realize, many questions of immediate practical importance. Every day I am asked what crops will be involved, how much acreage reduction will be required of those farmers who wish to cooperate under the terms of the bill, how much the price adjustment will amount to per acre, and how much the tax on a given commodity will be. Obviously, I can answer none of those questions now. The bill has yet to be passed by the Congress and approved by the President. What provisions the bill will contain in its final form, I can not, of course, predict.

The first step, once the bill becomes law, will be to order hearings at which both producers and processors will present their recommendations. I shall have their suggestions, and the benefit of their experience at hand, before any regulations governing acreage reduction or tax rates will be issued.

It is my desire to answer the urgent questions of farmer, processor, and consumer, at the very first moment it is legally possible to do so. I realize how much early information may mean to the farmer, who is already well along with his spring planting.

He is anxious to know how much his spring wheat acreage or cotton acreage will have to be reduced, if he is to come in under the plan. He wants to know what crops may be planted on the wheat, cotton, and corn land which is taken out of use. Also, he wants to know just what he is going to be paid for the land which he takes out of use.

It is impossible for me tonight to answer these exceedingly practical questions, but I can at least give you this assurance: that this measure will be administered by practical men.

For the benefit of producers and processors alike, I would like to give my views as to the philosophy of this Farm Bill. As I see it, the broad centralizing power of the Government is delegated to the President, and through him to the Secretary of Agriculture, to enable producers and processors to work together in bringing order out of the present chaos. Producers and processors are given the opportunity to work together to make such adjustments in production and prices as are fair to the producer, which are possible of attainment for the processors' point of view without harming any legitimate interest of the processor, and which maintain the consumers' just interest as measured by the five year pre-war period.

When the bill becomes law, I hope it will not be necessary for the Secretary of Agriculture to act as a policeman. It may be necessary for him to act as a referee, but the normal situation, as I see it, is one in which the producers and processors, working together, are able to draw on each others' knowledge and experience, and with the help of the centralizing power of the Government, put that knowledge and experience to work in such a way as to adjust production to consumption intelligently and practically. For many years there has been a wall between the processors and the farmers in this country. The processors have had information about changes in consumers' demands and probable future prices which they have not passed on, in any effective way, to the farmer. The farmers therefore have, all too often, worked in the dark and have not modified the quantity or quality of their production so as to fill their markets to the best advantage.

In Denmark they do things differently. The producer is in direct touch with the ultimate consumer, and modifies his methods conscientiously and promptly to meet the changes in the consumer demands. Denmark is a small country. The methods which work there do not apply here, but the principle is the same, and it is exceedingly important, in my opinion, that the Government of the United States and the processors cooperate with the farmer in enabling him to meet, with the least damage possible, the shifts in his production which a rapidly changing world requires.

If the farmers and processors interested in the various commodities which would be handled under the act, will approach each other and the Government in the right, cooperative spirit, I am sure that we can raise prices very materially during the next year. As a practical man I can realize that we may not be able to bring prices of farm products up to cost of production or to pre-war parity in the next year. I realize we may have to go step by step as long as there are so many unemployed, - but I also realize that as we increase

prices of farm products, the demand for city goods by farmers will reduce the unemployment. I am hoping, therefore, if we handle this problem sympathetically yet firmly, we can push forward into the prosperity which rightfully belongs to a nation which is fully equipped with marvelous factories, intelligent working men, fertile farms and willing farmers. The things can be done if only we have the unselfishness, the patience and the courage to do it.

Even a substantial increase in farm prices, we all appreciate, will not be a complete answer to the problem of the farmer and of the Nation. The burden of debt must be lightened, the fears of the home-owner must be removed. The farm mortgage relief bill, to be introduced in Congress early next week, comes in answer to that demand.

The phrase "farm debt" may not mean much, unless you happen to live on a farm. Let me explain what it is, how large it is, and to whom it is owed.

Twenty-three years ago, the farm mortgage debt in the United States was about three and one-third billions of dollars. By 1928 it had reached the staggering total of nine and a half billion dollars. Since 1928 the total has decreased--most of it, unfortunately, by foreclosure-- until now the total farm mortgage debt is about eight and a half billion dollars.

But that isn't the whole extent of the debt the farmer is trying to carry. There are personal debts, loans from banks, bills for machinery and fertilizer, debts of many other kinds. They total probably three and a half billion dollars. That makes the total farm indebtedness around twelve billion dollars.

The next question is, who owns the mortgages? Who are the creditors? The life insurance companies hold about a fourth of them. Federal land banks hold 12 per cent. Commercial banks, mortgage companies, and joint stock land banks hold another large block. Then about one fourth of the total holdings are in the hands of retired farmers, business men, widows, and other individuals.

The next question is, what are the farmer's prospects for paying the interest on his mortgage debt, and repaying some of the principal? The answer to that question does not need to be labored. The gross income of the average farm in the United States in 1919 was \$2,600. It had shrunk by 1932 to about \$800. Out of that gross income, the farmer has to pay direct operating costs and living expenses. He has to pay taxes, as well as interest on his debt.

His income has shrunk almost out of sight; his living and farming expenses have declined some, but not nearly as much as his income; his fixed charges-- taxes and interest-- are roughly two and a half times what they were before the war. They now take one-fourth of his gross income and most of his net income.



That condition is intolerable. This Administration does not propose to let it continue. The new farm mortgage bill will provide means for re-financing farm mortgages at lower rates of interest. In many cases the bill will make possible, I am informed, a substantial reduction in the principal of the individual farmer's debt.

The terms of the bill have been the subject of long and careful study by President Roosevelt, by Members of Congress, and by Mr. Henry Morgenthau, jr., Chairman of the Federal Farm Board, who is to be Governor of the new Farm Credit Administration. Details of the bill will be made public, when it has been introduced in Congress early next week.

The first step in dealing with the farmer's credit problems was taken by the President early this week, when he issued an Executive Order consolidating all the various governmental agencies which have to do with granting or supervising loans to farmers and farmers' organizations.

The purpose of this order is to give better service to the farmers and effect substantial savings to the National Treasury. When the consolidation is completed it will be possible for farmer borrowers, no matter what class of loan they seek, to make their applications to a single branch office which can deal with all their credit needs so far as the Government is able to assist them.

The farm mortgage plan will reduce the interest burden. The farm relief bill, by controlling production through the voluntary cooperation of producers, will raise prices.

I hope that a week hence the farmers of the United States will read in the daily press that legislation has been signed which will reduce their interest burdens and raise their prices.

These relief bills as finally passed may prove disappointing in some particulars. But even if the measures are not perfect in every detail, I have faith that the whole-hearted cooperation of the American people will make it possible to attain the even-handed social justice which is so dear to all our hearts.

1. The first part of the report is a general  
introduction to the subject.

2. The second part is a detailed description  
of the methods used.

3. The third part is a discussion of the results  
obtained, and a comparison with previous work.

4. The fourth part is a conclusion, and a  
summary of the main findings.

5. The fifth part is a list of references,  
and a list of the names of the authors.

6. The sixth part is a list of the names of  
the authors, and a list of references.

7. The seventh part is a list of references,  
and a list of the names of the authors.

8. The eighth part is a list of the names of  
the authors, and a list of references.